

---

## PROPOSED PRO RATA, NON-RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE - RECEIPT OF IN-PRINCIPLE APPROVAL

---

### 1 INTRODUCTION

- 1.1 The Board of Directors (the **"Directors"**) of Addvalue Technologies Ltd (the **"Company"**, and together with its subsidiaries, the **"Group"**) refers to the Company's previous announcement made on 29 November 2020 (the **"Previous Announcement"**) in relation to the Company's proposed undertaking of a pro rata, non-renounceable and non-underwritten rights issue (the **"Rights Issue"**) of up to 737,118,890 new ordinary shares of the Company (the **"Rights Shares"**), on the basis of one (1) Rights Share (as defined below) for every three (3) existing ordinary shares in the capital of the Company held by Entitled Shareholders as at a record date to be determined by the Directors, fractional entitlements to be disregarded.
- 1.2 Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings and construction as ascribed to them in the Previous Announcement.

### 2 RECEIPT OF IN-PRINCIPLE APPROVAL

- 2.1 The Board is pleased to announce that the Company has today received the in-principle approval (the **"AIP"**) of the Singapore Exchange Securities Trading Limited (the **"SGX-ST"**) for the dealing in, listing of and quotation for, up to 737,118,890 Rights Shares on the Mainboard of the SGX-ST. The AIP of the SGX-ST is subject to the following conditions:
- (a) Compliance with the SGX-ST's listing requirements;
  - (b) Submission of the following:-
    - i. A written undertaking from the Company that it will comply with Listing Rules 704(30) and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the

Company's announcements on the use of proceeds and in the annual report; and

- ii. A written undertaking from the Company that it will comply with Listing Rule 877(10) with regards to the allotment of any excess Rights Shares.
- (c) The Company's statutory auditors are to submit to the SGX-ST a written confirmation on the use of the proceeds from the Rights Issue and whether such use is in accordance with the stated use and in accordance with the percentage allocated in the announcement of the Company;
- (d) Disclosure via SGXNet of the following:-
- i. The net amount raised pursuant to Listing Rule 814(1)(k)(iii) for the September 2020 Placements, as this was not disclosed in the SGXNet announcement dated 29 November 2020;
  - ii. To clarify as per the Company's submissions and representations to the SGX-ST, that the column header in the table in Paragraph 7.1 of the Company's SGXNet announcement dated 29 November 2020, should have been reflected as "Allocation of gross proceeds raised" instead of "Allocation of net proceeds raised"; and
  - iii. To clarify as per the Company's submissions and representations to the SGX-ST, that the resultant enlarged issued and paid-up share capital of the Company in the Maximum Subscription Scenario should be 2,948,475,562 shares, instead of 2,714,933,374 shares as currently reflected in Paragraph 2.2 of the Company's SGXNet announcement dated 29 November 2020. Consequently, please also disclose related amendments to the Company's 29 November 2020 SGXNet announcement, if and where applicable (including and not limited to the computation of the theoretical ex-rights price ("**TERP**") and consequently the discount of the issue price to the TERP).
- 2.2 The Company has provided the written undertakings and confirmations referred to in sub-paragraph (b) above to the SGX-ST.
- 2.3 The AIP is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company and/or its subsidiaries.

- 2.4 Further information on the Rights Issue will be provided in the Instructions Booklet to be despatched to Shareholders in due course.

### **3 CLARIFICATION IN RELATION TO THE RIGHTS ISSUE**

- 3.1 The Directors of the Company refer to the Previous Announcement in relation to the Rights Issue.
- 3.2 In relation to item (iv) in the row labelled “Discount” of the table in paragraph 2 of the Previous Announcement, the Company wishes to clarify that the discount to the Issue Price is approximately 2.89% (instead of 2.85%) to the TERP of S\$0.02317 (instead of S\$0.02316).
- 3.3 In relation to paragraph 2.2 of the Previous Announcement, the Company wishes to clarify that the resultant enlarged issued and paid-up share capital of the Company in the Maximum Subscription Scenario should be 2,948,475,562 Shares (excluding treasury shares), instead of 2,714,933,374 Shares.
- 3.4 In relation to paragraph 7.1 of the Previous Announcement, the Company wishes to clarify that:
- (a) the net amount raised pursuant to Listing Rule 814(1)(k)(iii) is approximately S\$2.4 million; and
  - (b) the header in column 2 of the table in paragraph 7.1 relating to the use of proceeds from the September 2020 Placements should be “Allocation of gross proceeds raised” instead of “Allocation of net proceeds raised”.

### **4 CAUTIONARY STATEMENT**

**Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Issue will materialise or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments.**

**Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers,**

**solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.**

**BY ORDER OF THE BOARD**

Dr Colin Chan Kum Lok  
Chairman and CEO  
8 January 2021